

INTELLIFAX 71

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CENTRAL INTELLIGENCE AGENCY

REPORT NO.

## INFORMATION REPORT

CD NO.

COUNTRY China/Hong Kong

DATE DISTR. 8 Aug. 1951

SUBJECT Chinese Communist Iron, Steel, and  
Wolfram Resources, South China

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(LISTED BELOW)DATE OF  
INFO.SUPPLEMENT TO 25X1X  
REPORT NO.

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ULATE

1. The Chinese Communists have opened the wolfram mines on Nanp'eng (南朋) Island, near Yangchiang (111-53, 21-52), because of the high quality of the ore to be found there. They hope to sell the product at a good price in Hong Kong<sup>1</sup>. In early March the Chinese Communist Metals Control Office for Central and South China sent technicians to the island to open the mines under the direction of Soviet mining experts. From April to June 1951 the mines on Nanp'eng Island produced between 3,000 and 3,500 kilograms of wolfram. On the morning of 16 July the Soviet ship KAO-SHIH-CHI (高士基) carried 1,200 kilograms of wolfram from Nanp'eng Island to Canton.
2. The Chinese Communist Hainan Military and Administrative Committee has organized the Hainan Iron and Steel Bureau to take charge of the mine at Tien Tu<sup>2</sup>, Hainan.
3. To increase the supply of iron and steel the Chinese Communist Government has instructed YEH Chien-ying to appoint CHIU Yu-ch'ih (邱玉池)<sup>3</sup>, an expert on the mining and refining of ores, and head of the First Steel and Iron Machinery Factory of Central and South China; HUANG Hsi-chuan (黃錫川), deputy chief of the Kwangtung Industry Bureau; three other Chinese; and some Soviet technicians to make an inspection of the area on Hainan. On 21 July the group left Canton by gunboat. They are to make plans to open mines on a large scale.

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No Change in Class.  Declassified

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2. [REDACTED] Comment. According to information available to this office, from the records of the former Japanese administration of Hainan, the Tien Tu (天竹) mine is in the vicinity of Yulin Harbor. The content of iron in the ore is 64%, and the monthly production under the Japanese was 80,000 tons.

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3. [REDACTED] for a previous reference to political activities of CMIU for the Chinese Communists.

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